



CITY OF ATLANTA

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MAYOR

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November 18, 2005

Mr. David Garratt, Acting Director of Recovery – FEMA
U.S. Department of Homeland Security
Washington, D.C. 20472

Dear Mr. Garratt:

I would like to register my concern with the recently announced DHS/FEMA decision to terminate the hotel housing program for Hurricane Katrina evacuees on December 1st, and to request that you provide Georgia with an extension of at least 30 days along with additional resources to fully fund housing needs. While I am quite supportive of a transition from hotels towards apartments and other, more permanent housing options, the timeframe in which this transition is being implemented is counterproductive and the resources available are inadequate.

I fear that there is simply no way that local governments in Georgia will be able to house a majority of the individuals currently in hotels by your deadline, let alone all of them. Your decision to announce this deadline without notifying or coordinating with local or state governments in advance has left us scrambling to respond. We are further hampered by some of the regulations, including requiring three month leases that all have to be signed in fewer than two weeks. Again, advance notice would have made this transition much more feasible – as would reimbursement policies more in line with market realities in Atlanta.

The City of Atlanta opened its arms to evacuees from the very beginning of the crisis, as has the rest of Georgia. We have continued to provide services and resources as we have focused on meeting evacuees' needs, either directly or by coordinating with the responsible agencies. We have been transitioning evacuees out of hotels and into apartments since mid-September, using partners in the non-profit community. We submitted this plan for reimbursement at the end of September, as requested. A month and a half came and went without a word of feedback from either FEMA or GEMA, and then we were notified that a greatly expanded version was to be implemented in less than two weeks.

Conflicting statements about what exactly is reimbursable, and what procedures are required, have also further limited our ability to manage this process. Current FEMA policies and deadlines are combining to create ambiguity and delay on the part of the service providers and consternation among the evacuees. We need specific, final guidance about what is permitted and what is required, and then we need time to make our plan comply and put it into effect.

Our attempts to find rental housing for the evacuees is being frustrated by the limited resources FEMA is dedicating to the task. The average rental payment for a two-bedroom apartment in the Atlanta area is approximately \$900.00 a month. Monthly utility costs are estimated at \$400.00 for a total housing cost of \$1,300.00 per month. Add furniture, and the cost escalates even further. However, you have notified us that we can only offer evacuees \$830 a month for rent, which is not sufficient. Your utility and furniture allowances are similarly inadequate, worsening the gap between available resources and evacuee needs.

In the metro Atlanta area, let alone in the City of Atlanta, we are aware of approximately 727 units currently available at your approved rental rates. While estimates of the number of evacuees still in hotel rooms vary greatly, it is clear that their numbers are several times greater than the number of available units. If you do not increase the amount of rent you are willing to pay, I do not believe that we will be able to find enough housing units, no matter how much time we devote to the project. The likely outcome is a return to emergency housing, which will end up being more expensive than a solution better tailored to market realities.

In summary, I have four specific requests.

1. Please extend the December 1 deadline for terminating the hotel program by 31 days so that we can have critical time to assess our market capabilities, work with our community partners, and have a reasonable period of time to transition these thousands of families.
2. Please extend the November 30 deadline for signing leases with apartment units. As noted above, we are diligently attempting to locate available units and match them with families, but the reality is that even if there were enough units available, we could not have them all under contract by November 30.
3. Please agree to reimburse up to 150% of fair market rent – the 800 units available today at \$900 a month or lower will only house a fraction of the evacuee families who will need housing. Increasing the reimbursement rate will enable us to access thousands of more units. We have attached documentation demonstrating the current market limitations.
4. Please extend the maximum term of the lease from three months to at least six. Landlords are generally hesitant to lease units for a three month duration (most leases are for a year or more), incur additional costs to do so, and this provision, if not changed, will further limit the supply of available units.

I implore you to consider my requests – I cannot stress enough how important more time and resources for an orderly and effective transition would be. If you have any questions for Atlanta staff, or if we can be of assistance, please contact either Ms. Sandra Walker, the City's Deputy Chief of Staff, at (404) 330-6395 or Robert Ashe, the City's Intergovernmental Affairs Coordinator, at (404) 330-6361. They have been serving as Atlanta's coordinators in responding to Hurricane Katrina, and would be best prepared to answer any questions you might have.

Yours for Atlanta,

Shirley Franklin

Cc: The Honorable Sonny Perdue
Georgia Congressional Delegation
The Honorable Tom Ratcliffe, President – Georgia Municipal Association

Enclosures